

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Conservation Auditorium, 1st Floor, State Land & Natural Resources Building, 625 North 4th Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, JUNE 26, 2001**, upon the application of **PINNACLE OPERATING COMPANY, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **James Formation, Reservoir A**, in the Converse Field, Sabine Parish, Louisiana.

1. To create two (2) additional drilling and production units to be designated as JAMES RA SUP and JAMES RA SUQ for the James Formation, Reservoir A, as shown on the plat submitted with the application.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate Pinnacle Operating Company, Inc. as the operator of JAMES RA SUP to be created hereby and to designate the Pinnacle Operating Company, Inc. - International Paper 29 H No. 1 Well as the unit well for such unit.
4. To provide that the gas allowable provisions of Statewide Order No. 29-F, LAC 43:XIX.2101, et seq., shall not apply to horizontal wells drilled to the James Formation, Reservoir A, but that all such wells shall be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste.
5. To amend the well spacing provisions of Office of Conservation Order No. 501-B, effective February 1, 1975, to provide for special field spacing rules for any future horizontal well drilled to the James Formation, Reservoir A, which would provide (a) that the penetration point and terminus of any lateral of any such horizontal well shall not be located closer than 330 feet to any unit boundary, (b) that the average distance between the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled shall not be less than 1,000 feet, (c) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled shall not be less than 660 feet, and (d) that there be no well spacing limitations between wells other than that accomplished by application of the aforestated provisions.
6. To consider such other matters as may be pertinent.

The James Formation, Reservoir A, in the Converse Field, Sabine Parish, Louisiana, is fully defined in Office of Conservation Order No. 501-B, effective February 1, 1975.

CONVERSE FIELD

01-538

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

**PHILIP N. ASPRODITES
COMMISSIONER OF CONSERVATION**

Baton Rouge, La

5/17/01;5/22/01

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE CONTACT DEPARTMENT OF NATURAL RESOURCES, PERSONNEL SECTION AT P.O. BOX 94396, BATON ROUGE, LA 70804-9396 IN WRITING OR BY TELEPHONE (225) 342-2134 BETWEEN THE HOURS OF 8:00 A.M. AND 4:30 P.M., MONDAY THRU FRIDAY WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.